

Terrafame to initiate change negotiations on possible temporary layoffs in the battery chemicals business

In 2025, Terrafame has continued to operate in a challenging business environment. The company's business has been unfavourably affected by the slower than estimated progress of the electrification of mobility, especially in Europe, combined with a low market price of nickel used in battery chemicals, as well as a weak US dollar exchange rate. The company estimates that the market situation will continue to be challenging for the remainder of 2025.

Due, above all, Terrafame has decided to initiate change negotiations concerning the personnel of the battery chemicals plant and other functions closely connected to the plant on production-related and financial grounds. In addition to possible layoffs, the negotiations will also cover possible temporary changes to job descriptions and working hours, for example.

A total of 120 Terrafame hourly-paid, salaried and senior salaried employees are the scope of the negotiations. The potential need for layoffs is up to 90 days. The extent and duration of the possible layoffs will depend on the development of battery chemicals market.

"Although our battery chemicals production has been on a good level during the first half of the year, the order book has unfortunately not developed at the same pace, which is why we are now forced to initiate change negotiations. We are currently aligning production with our order book and preparing for a scheduled, extended maintenance shutdown at the battery chemicals plant", says Seppo Voutilainen, CEO of Terrafame.

The change negotiations will begin on 1 August 2025 and will be conducted in accordance with the Finnish Co-operation Act and the applicable collective agreements.

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Terrafame enhances low-carbon mobility by delivering responsibly produced battery chemicals to the global battery industry. One of the world's largest production lines for chemicals used in electric vehicle batteries is located on Terrafame's industrial site. The

plant is capable of producing nickel sulphate for around 1 million EVs per year. The carbon footprint of the nickel sulphate produced by Terrafame is among the smallest in the industry.

Terrafame's integrated, unique and energy-efficient production process from the mine to battery chemicals is located on a single industrial site. It provides customers with a transparent, traceable and truly European battery chemical supply chain.

Terrafame Ltd was founded in 2015. Its net sales in 2024 were EUR 544.5 million. Around 2,000 people work on its industrial site, approximately 1,200 of whom are employees of partner companies.